(d) and (e) Search and Seizure actions are carried out all over the country as per the provisions of the Income Tax Act, 1961. These operations are a continuous process based on credible information regarding tax evasion.

Merger of Anyonya Bank with Saraswat Bank

489. SHRI KANJIBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether any proposal of merger of Anyonya Bank with the Saraswat Bank of Mumbai is pending with the Reserve Bank of India (RBI);

(b) if so, the status of the proposal; and

(c) the details of the safeguards being taken for protecting the interest of about thirty thousand shareholders and seventy five thousand deposits of these banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Yes, Sir. The proposal for merger of the Anyonya Co-operative Bank Ltd., Vadodara with the Saraswat Co-operative Bank Ltd., Mumbai has been received by Reserve Bank of India (RBI) and is being examined by them.

(c) The details of safeguards taken by RBI to protect the interests of shareholders and depositors are detailed as under:

(i) Directions under Section 35 A of the Banking Regulation Act, 1949 (AACS) have been imposed on the bank from the close of business on September 14, 2007 to prevent preferential payments and alienation of assets.

(ii) Each depositor in a bank is insured up to a maximum of Rs. 1,00,000 (Rupees one lakh only) by DICGC for both principal and interest held by him in the same right and capacity as on the date of liquidation, under the Deposit Insurance Scheme.

(iii) Further, Memorandum of Understanding has been entered by Reserve Bank of India with the State Government. A Task Force for Co-operative Urban Banks (TAFCUB) has been constituted in the State comprising of representatives from RBI, RCS and Urban Co-operative Bank Federations for identification and drawing up of a time bound action plan for the revival of potentially viable UCBs. The financial position of the bank is reviewed and discussed in the meetings of the TAFCUB periodically and supervisory action as recommended by it is taken.

Tax exemption for A.P. State Sports Development Fund

490. SHRI NANDI YELLAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether the State Government of Andhra Pradesh had requested the Centre for 100 per cent income tax exemption to Andhra Pradesh State Sports Development Fund; and

(b) if so, the response of the Centre in this regard?